GOVERNMENT OF INDIA
PANCHAYATI RAJ
LOK SABHA

UNSTARRED QUESTION NO:855
ANSWERED ON:21.07.2016
Budget Allocation for Ministry
Jayadevan Shri C. N.

Will the Minister of PANCHAYATI RAJ be pleased to state:

(a) whether the budget allocation for your Ministry has been reduced from Rs.7000 crore to Rs.96 crore this year, and

(b) if so, the details thereof and the extent to which it has affected the implementation of various programmes for Panchayats in the country?

Answer

MINISTER OF STATE IN THE MINISTRY OF PANCHAYATI RAJ
(SHRI PARSHOTTAM RUPALA)

(a) No Madam, The budget allocation for the current financial year 2016-17 in respect of Ministry of Panchayati Raj is Rs. 768.33 crores.

(b) The budget allocation of the Ministry of Panchayati Raj for 2014-15 was Rs. 7000 crores with two flagship programmes of the Ministry namely District Component of Backward Regions Grant Fund (BRGF) and Rajiv Gandhi Panchayat Sashaktikaran Abhiyan (RGPSA) having an allocation of Rs.5900 crore and Rs. 1050 crores respectively. The budget allocation for 2015-16 of the Ministry was reduced to Rs.94 crore, however, subsequently an additional amount of Rs.300 crore was provided at supplementary stage. The reduction in BE for 2015-16 was on account of de-linking the state component of RGPSA and the District Component of BRGF from the Central allocation. In 2015-16, the States got enhanced share of allocation from the Central taxes from 32% to 42% as recommended by the 14th Finance Commission that provided much needed flexibility to them to formulate and implement the plans as per their local requirements. Further, the 14th Finance Commission also recommended substantial amount i.e. Rs.2,00,292.2 crores for the period 2015-20 directly to be transferred to the Gram Panchayats which is almost more than three times higher than the grant recommended by the 13th Finance Commission.

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